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TAGS: [ECON](#) [EAIR](#) [EU](#) [KTIA](#) [PREL](#) [EN](#)  
SUBJECT: TALLINN'S PROPOSAL FOR 2007 IPR ENFORCEMENT  
TRAINING FUNDS

REF: STATE 55928

¶1. In response to reftel, the following is Embassy Tallinn's proposal for funding to develop, distribute and promote an extensive awareness campaign in Estonia to combat internet piracy and promote cyber security.

#### Background

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¶2. The biggest IPR challenge in countries with a well-developed IT sector is internet piracy. In Estonia, the Internet is the primary tool for private banking, national governance and communication by young people.

There are an estimated 700,000 internet users out of a total population of 1.3 million, and the number is rapidly increasing. Estonia is quickly gaining an international reputation as the EU country at the forefront of "e-government", "e-voting", "e-governance" and overall market penetration of online services. However, public awareness of the technical risk factors and legal constraints on using the internet has not kept up with the rapid growth in usage, especially among the student and youth population. In this environment of lower cost and higher-bandwidth access to the internet, (large parts of downtown Tallinn offer free, high-speed, Wi-Fi access) the greatest challenge to protecting intellectual property rights is combating digital piracy. The Baltic countries have only one NGO dedicated to anti-piracy, the Estonian Organization for Copyright Protection (EOCP) which represents major U.S. industry rights holders. EOCP Managing Director Erik Mandre has noted that since internet piracy is a new and constantly evolving form of IPR violation, it is essential to inform internet users about not only threats, but also responsibilities in the digital environment.

¶3. The issue of cyber crime has taken on greater urgency in Estonia recently. Following a dispute with Russia over the re-location of a Soviet-era war memorial, Estonia became the target of an unprecedented "cyber-war" directed at government ministries, banks and newspapers in the form of massive Denial-of-Service attacks. These attacks were primarily coordinated by remotely controlling the computers of many unwitting internet users (inside and outside of Estonia) via the use of malicious software placed on their machines by the perpetrators. There is a potential linkage between these cyber attacks, law enforcement, and IPR infringement. Cyber criminals engaged in digital piracy of music, movies, software and other digital media are frequently involved in other types of cyber crime such as credit card fraud and digital blackmail. These criminals use real or threatened Denial-of-Service attacks against companies doing legitimate

business through the Web. At the same time, internet users visiting websites to download illegal copies of IPR-infringing material are at greater risk of their computers getting infected with malicious software, which could in turn be used in the type of massive Denial-of-Service attacks directed at Estonia last month. The cyber attacks in Estonia have demonstrated the vulnerability of high-tech societies to threats from the digital environment. Therefore, post sees a critical need to raise public awareness on the linkage between intellectual property rights in the digital environment, and the larger issue of cyber security and cyber crime.

#### Proposal

¶4. Embassy Tallinn proposes to conduct an extensive Internet piracy awareness campaign targeted at state officials, Internet Service Providers, owners of popular websites, and active Internet users in Estonia.

¶5. The objective of the program will be to raise awareness of cyber security related to IPR violations in the digital environment, as well as to reduce uploading and downloading of digital content infringing the IP rights of owners. The program will also raise public awareness about legal and illegal actions on the Internet, and the risks associated with engaging in digital piracy.

¶6. The awareness campaign will have an educational approach toward all target groups and will seek to mobilize the maximum number of partners representing the view of affected parties, including U.S.

industries. Before the campaign, project coordinating agency EOCP, and consultants from Hill & Knowlton Eesti AS in Estonia, will perform a control study of the attitudes of different target groups toward digital piracy. After the campaign, additional research will evaluate behavioral changes of internet users.

¶7. The project will focus on the threats and negative aspects of internet piracy, and on computer security. It will explain where service providers, content providers and internet users infringe IP rights in the digital environment. The campaign will include seminars, media relations and targeted advertising. The target group will be Estonian government and law enforcement officials, large and small internet providers, owners and managers of popular web sites and the most active internet users - students and other people aged 10-25.

¶8. The proposed budget for the awareness campaign is as follows:

Seminars: \$20,000  
Expert from the U.S. or EU for seminars: \$5,000  
Internet channel, banners, advertising: \$5000  
Other media: \$20,000  
Situation mapping and evaluation: \$5,000  
Expert fees, project coordination: \$10,000

Total amount requested: USD 65,000

Fulfillment of criteria for funding:

¶9. Economic Impact on U.S. Interests: in Estonia, the Internet is the biggest outlet for pirated music and films. U.S. audio and video products are especially popular in Estonia. However, awareness is low of what is legal and what is illegal in the digital environment. The awareness campaign will aim to decrease internet piracy in Estonia, and promote the vital Mission Strategic Plan goal, and U.S. business

interest of protecting intellectual property rights.

¶10. Crime and Security Considerations: cyber crime, including internet piracy, is a new and constantly evolving area. The Internet does not recognize borders however, Estonia's relatively large pool of well educated IT specialists creates a high potential for internet-based criminal activity as well as the expertise to combat cyber crime. (Note: the popular peer-to-peer programs Kazaa and Skype were both developed by Estonians, and Estonia's defenses against the May cyber attacks are being studied by both U.S. and European experts. End note)

¶11. Relevance to Other U.S. Objectives: Protection of IPR is one of Embassy Tallinn's Mission Strategic Plan priorities for FY 2007 and 2008. In order to promote economic prosperity, the Embassy is supporting efforts to enhance protection of IP rights.

¶12. Political Will: The Government of Estonia has demonstrated its support for improving its IPR regime. On several occasions, including addressing public via mass media, the Deputy Under-Secretary for Criminal Policy at the Ministry of Justice has made statements about importance of combating internet piracy. Also, the recent "cyber war" has raised the level of GOE interest in crimes in the digital environment. The Deputy-Under Secretary for Internal Security at the Ministry of Internal Affairs confirmed that combating IPR violation is an integral part of the new internal security strategy the government is currently developing. At an Embassy-sponsored IPR conference in January 2007, Estonia's Police Commissioner drew attention to the linkage between organized crime groups and IPR infringement, pointing to the funds they can raise through illegal digital piracy.

¶13. Capacity to Achieve Measurable Progress: the primary cooperation partner and implementation coordinator for this project will be the EOCP, the only anti-piracy organization in the Baltics. Since its establishment in 1998, the EOCP has successfully represented the Motion Picture Association of America (MPAA) and collaborates with copyright organizations all over the world. EOCP will work closely with Hill & Knowlton Estonia which has significant experience working with clients in the consumer technology sector and organizations promoting IP rights.

#### Components of an Effective IPR Regime in Estonia:

¶14. Embassy Tallinn's proposal for IPR Enforcement Training Funds is made in the context of Estonia's effective IPR regime. This regime includes: an appropriate legal framework, enforcement capacity, border Controls, government-industry cooperation, international cooperation, public awareness, and engagement by public officials in Estonia.

#### Project Evaluation Metrics

¶15. Targeted to U.S. Priorities: According to the 2004-2009 Department of State Strategic Plan, part of its mission to protect the United States, American citizens, and U.S. interests, is to wage a vigorous campaign against organized crime, including cyber crime. Accordingly, "...the Department and USAID will strengthen foreign law enforcement capabilities and strengthen laws, law enforcement institutions, and judicial systems." Encouraging greater compliance with existing IPR laws and raising awareness of the need for tougher cyber crime laws is a key part of this strategy. Embassy Tallinn's 2008 Mission Strategic Plan also includes the goal to "promote increased IPR

protection in Estonia to create investment and commercial opportunities for U.S. companies."

¶16. Support of host government: The Ministry of Culture, which has primary responsibility for awareness-raising in the IPR field, fully supports this initiative. In addition, senior officials in both the Ministry of Justice and the Ministry of Internal Affairs (with jurisdiction over police) have expressed their support for IPR enforcement.

¶17. Specific weaknesses of the intellectual property system targeted by proposal: as internet piracy is a relatively new form of crime, there is little information available to the public that explains what actions on the Internet are legal and illegal. Raising awareness on cyber crimes including internet piracy is a comprehensive long-term commitment. This project aims not only to inform Internet users of the legal aspects of digital piracy, but also to make them aware of the elevated cyber security risks associated with downloading illegal music, movies and software.

¶18. Benchmarks: the success of the project will be measured by the amount of digital content available on the targeted Estonian websites; the number of press publications on the message of the campaign; and the change in attitudes and behavior of the target groups based on opinion surveys conducted before and after the campaign.

¶19. Oversight and accountability measures: Embassy Economic Officer and Economic Specialist will coordinate and consult with the program designers and implementers, EOCP and Hill & Knowlton, all programmatic and technical matters which may arise in the administration of the program. Embassy representatives will also evaluate performance to ensure compliance with the project terms and conditions, including regular review of progress and financial reports.

PHILLIPS